

To: **Planning Commission**
Through: **Ben Boike, Community Development Director**
From: **Melissa Houtsma, City Planner**
Date: **February 21, 2022**

PC Case 23-02 – An Ordinance Amending Section 153.171 of the Zoning Code Regarding Regulations for Intoxicating THC Retail Establishments

BACKGROUND:

After a new law was passed by the Minnesota Legislature during the 2022 session several changes were made to the statutes regulating the sale of certain cannabinoid (CBD) products. The changes became effective as of July 1. Shortly after, West St. Paul adopted a temporary moratorium on the expansion of or establishing new uses related to CBD and other similar cannabis related uses. In August, the City Council directed staff on how to proceed with the desired regulations, which were then reviewed by the Planning Commission in November.

However, before the City Council was able to adopt these regulations, new language was introduced at the state legislature. This proposed language would negate the city's language that was reviewed by the Commission in November. Therefore, city staff has drafted a new set of regulations as follows,

Regulatory Measures	
Zoning <ul style="list-style-type: none">• THC related sales with a non-specialty license are permitted where typical retail sales are conducted (B2, B3, and B4)<ul style="list-style-type: none">○ No change• THC related sales with a specialty retailer license are only allowed in the B2 (added), B3, and B4 zoning districts,<ul style="list-style-type: none">○ Must be at least 1,000 ft. away from schools (previously 2,000 ft.).	Business Licensing <ul style="list-style-type: none">• Require license for specialty retail establishments with intoxicating THC (no license required for non-specialty)<ul style="list-style-type: none">○ Specialty license for retailers with more than 10 % of sales and/or retail space<ul style="list-style-type: none">▪ Limit of two licenses

STAFF RECOMMENDATION:

Staff recommends the Planning Commission hold a public hearing and recommend approval of the amendment to zoning code section 153.171 as presented by staff.

ATTACHMENTS:

Buffer Map
Redlined Ordinance

TIMELINE:

February 21: Planning Commission (Public Hearing)

February 27: City Council First Reading

March 13: City Council Final Reading